

PETER SHUMLIN  
Governor



State of Vermont  
OFFICE OF THE GOVERNOR

November 26, 2013

Dear Local Education Leader,

Thank you for your continued dedication to a high-quality and equitable education for all Vermont students. We have an education system to be proud of – arguably the best in the country – due in no small part to our strong sense of community and the generous time commitment volunteered by people like you.

I know how hard you are working and that for years now you have sharpened your pencils, addressing your budgets with a balanced approach, ensuring high-quality learning opportunities while focusing on conservative and sustainable spending. I understand that this job can be made even more challenging with the rising costs of fuel and health insurance, as well as new mandates and upgrades in technology.

Still, we are experiencing a consistent decline in student enrollment, a trend that has persisted for sixteen years and that economists tell us will continue. The number of equalized pupils is projected to decline once again next year, continuing a 20% enrollment decline expected between 1997 and 2020, with little prospect of any significant reversal through 2025. This provides opportunity to lower costs, while maintaining quality.

You have done your part to hold down spending levels in the past and I ask for your commitment to do so again. Between FY11 and FY13, you were able to hold down spending so that statewide education tax base rates increased only minimally during that period. However, forecasts are telling us that spending may well increase 3.8% next year, after rising approximately 5% this year, which will dictate a \$0.05 increase in the residential statewide education tax base rate for the second year in a row. This is not a sustainable rate of increase that Vermonters can afford. Property tax increases can be reduced if local budget decision-making results in a lower growth rate than projected.

I would like to work with you in tackling this difficult issue, and welcome your ideas on how best to approach this mounting challenge. Additionally, I am partnering with the Legislature to convene a symposium in early January with national and local finance experts to explore the complex issues raised by our funding system, in order to find ways to make it more sustainable and accountable while balancing equity, quality and local control.

Thank you for your continued dedication and hard work. I look forward to working in partnership with you on this crucial issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Shumlin", is written over a horizontal line.

Peter Shumlin  
Governor